COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF JEROME A. KANNEY)
AND DENNIS L. ROHRER FOR AUTHORIZATION)
OF THE ACQUISITION OF THE CORPORATE) CASE NO. 2005-00073
STOCK OF SIGMA GAS CORPORATION FROM)
ESTILL BRANHAM, BARKLEY STURGILL, AND)
RUTH CONLEY CLEMMONS)

<u>ORDER</u>

On February 9, 2005, Jerome A. Kanney and Dennis L. Rohrer ("Joint Applicants") jointly applied for approval of their proposed acquisition of all outstanding stock of Sigma Gas Corporation ("Sigma Gas"). Sigma Gas, a Kentucky corporation that owns and operates facilities that provide natural gas service to approximately 778 customers in Magoffin County, Kentucky, is a utility subject to Commission jurisdiction. KRS 278.010(3)(b). KRS 278.020(4) and (5) requires prior Commission approval of the proposed acquisition.

Since the filing of the Joint Application, the city of Salyersville, Kentucky ("Salyersville") has filed objections to the proposed acquisition. It contends that the acquisition is not in the public interest, that the Joint Applicants lack the requisite abilities to provide reasonable utility service, and that the proposed acquisition will continue to place Sigma Gas's customers at risk of service interruptions.

Given these objections, the Commission finds that additional proceedings regarding the application are necessary and that such proceedings will require

additional time beyond the 60-day review period provided in KRS 278.020(5). Accordingly, we find that good cause exists to extend the review period to 120 days.

IT IS THEREFORE ORDERED that the period for reviewing the Joint Application is extended to 120 days.

Done at Frankfort, Kentucky, this 30th day of March, 2005.

By the Commission

ATTEST:

Executive Director